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CENTRAL INTELLIGENCE AGENCY

# INFORMATION REPORT

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COUNTRY Hungary

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SOURCE

1. The agrarian program of the Communist Party of Hungary (Hungarian workers' Party - Magyar Dolgozok Partja - MDP) was based on the principle that the land should belong to those who work it. This program was implemented in 1946 when all large estates (latifundia) were expropriated. Up to 1947, the maximum amount of land allowed in the private possession of one owner was 300 holds (one hold is 3,200-5,300 square yards, or approximately one acre); in 1948 this was reduced to 80-100 holds. Also in 1948, the maximum acreage permitted under absentee ownership was reduced to 40 holds; according to a law passed in 1951, he who did not work his land could not keep it. Latifundia were parceled out among landless peasants, according to the size of their families, in plots of five to 15 holds per household. Large estates, Crown lands, and lands which had belonged to the Church, comprising each more than one thousand holds, were kept intact as government farms (allami gazdasagok). The Kulaks (farmers owning at least 80 holds of land, and employing laborers) were virtually eliminated by pressures exerted by the government, ie, high taxes, insufficient allotment of fertilizers. This program of land distribution was one of the most popular acts of the CP.
2. The farmers who greeted the land distribution enthusiastically, had their enthusiasm dampened when they were asked to join the cooperatives. They realized that once they had joined the cooperatives, they were no longer free to dispose of their land nor the products thereof; they had to surrender their products at a price determined by the government. Understandably, farmers were reluctant to join the cooperatives, the membership of which was on a voluntary basis. In order to induce the farmers to join, the government exerted pressure on the independent farmers by making it difficult for them to get fertilizers

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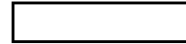
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and other necessities of farming; even the price of farm implements was increased. In 1951, when people in the cities could not get textiles and shoes, the farmers were given "C cards" and got them. The independent farmers however, were denied the "C card". All this gradually forced many independent farmers to apply for membership in the cooperatives. Kulaks were not allowed to join; they were considered politically unreliable, and were proclaimed a burden to the people.

3. I do not know of any kolkhozes in Hungary. Farmers' collectives, or Agricultural Producers' Cooperatives (termelői szövetkezet) were formed by groups of farmers pooling their land and livestock. Each household was left a small plot for a kitchen garden as well as some livestock and poultry for its own use. The collective was assigned a production quota and the goal of the collective was to fill the quota. The individual farmer was paid according to a work unit (munka egység); at the end of the year he received his pay, in produce and money, out of the total produce of the collective after the government had deducted its share for taxes and the administration of the collective had collected its share for administrative and other expenditures. The more work units a farmer had to his credit, the greater was his share at the division of the produce. The value of the work unit was uncertain; it was adjustable according to the yield. Usually, however, it was less than the farmer expected. This was the main reason for the farmer's dissatisfaction and the greatest deterrent to his initiative. He did not care to produce because he never knew how much he would get for his work. In addition to government deductions from the collective, each farmer had to pay taxes on the produce of his own garden plot, poultry, and livestock. Until December 1951, the farmer had to sell his produce to the government; after that time he could sell on the free market, after he had obtained from the cooperative management a certificate stating that he had fulfilled his quota of delivery.
4. Some progress has been made in establishing cooperatives in Trans-Danubia, but, on the whole, collectivization there has not been as successful as in the Alföld (the Great Hungarian Plain). The total acreage under the cooperative system in Hungary increased 50 % from 1950 to 1951. In addition to the cooperative farms (mezőgazdasági szövetkezet) created when individual farmers pooled their lands and livestock, there were also agricultural towns (termelői szövetkezeti városok) created when all the land-owners in a town joined the cooperative. The largest agricultural towns were Karcag, Mezőtúr, and Turkeve, located in the Alföld. Most of the government farms (állami gazdaságok) were located in Trans-Danubia; these were the farms made up of the former estates of the Crown, the nobility, and the Church. The largest government farms were in Sárkesztely in Pest, Balatonboglár in Trans-Danubia, and Kunmadaras in the Alföld. There are tractor stations in Perkata, Velence in Fehermegye, Csongrad and Szentgal; tractors were of Soviet and Hungarian manufacture.
5. Although the farmers were dissatisfied with high taxes, regimentation, government pressure, and uncertainty of income as members of cooperatives, they were still better off than any other group in Hungary. Since rationing has been abolished, the farmers are allowed to sell their products on the free market and are even better off. They resent the collectives and wish that they would be abolished.

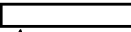
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25X1A<sup>5</sup>.  propaganda designed to get the farmers to plant fruit trees was launched on a large scale in Hungary. Cultivation of crops for industrial use was emphasized. Some 48 different varieties were grown in Hungary.

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